

Genworth Life Insurance Company
Dec 21, 2022**SERFF #s:** GEFA-133237762**Filing Summary:**

Genworth Life Insurance Company requested approval to increase the premium an average of 99% on 3,175 policies from individual LTC forms 7030 and 7032 (also called PCS II) issued prior to 9/16/2002. The actual request was a 51.8% premium rate increase on 105 policies with lifetime benefit periods and low BIO, 11.2% for 395 policies with limited benefit periods and low BIO, 119.0% for 798 policies with lifetime benefit periods and high BIO, and 100.0% for 1,877 policies with limited benefit periods and high BIO.

Benefit Period & BIO Option	Requested Increase	# of Policies
Lifetime Low BIO	51.8%	105
Limited Low BIO	11.2%	395
Lifetime High BIO	119.0%	798
Limited High BIO	100.0%	1,877

3,175

The Department approved a 55.0% increase on policies with lifetime benefit periods and low BIO, no increase on policies with limited benefit periods and low BIO, an 87.8% increase on policies with lifetime benefit periods and high BIO, and a 118.2% increase on policies with limited benefit periods and high BIO. The increases will be implemented over a maximum of three years, and the maximum increase any policyholder will receive in any year is 30%.

Effective date of rate change: Renewals on and after 12/21/2022.

The current policies in place are not generating sufficient premium to pay future claims to policyholders. This is a common problem for a number of insurers nationwide because policyholders are keeping their policies longer than expected and are living longer than projected. As a result, policyholders are using more benefits on average than the company anticipated when the policies were originally sold. This means the company has to pay out more for benefits than it originally projected.

In making this decision, the Department considered the projected loss ratio for each block of policy forms, that is, the projected total amount of benefits paid out versus the total amount of premium collected, the reasonableness of the assumptions the company used in its projections, and the company's financial situation. The Department also considered the financial impact this rate increase would pose to consumers, the past rate increases policyholders have faced, and the availability of options to limit the rate increase by reducing benefits.

The company is offering ways for policyholders to limit the rate increase by reducing benefits. The company will let you know your options when they contact you directly about this premium increase.

This Rate Filing Decision Summary is a tool to help explain the rate filing and does not describe all the factors considered as part of the Department's rate review.